

Municipal Services Commission
Monthly Meeting
February 18, 2021 – 10:00 a.m.

The meeting was called to order at 10:00 a.m. virtually with Dr. Roy Sippel, Commissioner, presiding.

Present: Dr. Roy J. Sippel, Commissioner, President
Daniel F. Knox, Commissioner
Dr. Allen Hansen, Commissioner
Pamela A. Patone, Secretary

Staff in Attendance: Tara French, Manager, Accounting & Customer Service Department; Jay Guyer, Manager, Water Department; Scott Blomquist, Manager, Electric Department.

Others in attendance: Dan McCollom, MSC attorney; Suzanne Souder; Rick Pennell; Mayor Mike Quaranta; Michael Platt; Phillip Gross, Mayor Mike Quaranta and Linda Ratchford were in attendance for a portion of the meeting.

Minutes – A motion was made and seconded to approve the minutes from the monthly and executive session for the January 21, 2021 meeting. The motion was approved.

Treasurer's Report – Secretary Patone reporting

Total operating cash balance of \$2,276,963.78. PNC escrow and meter deposit total \$696,812.63 for total cash of \$2,973,776.41. Total investments are \$1,290,468.37. The accounts payable check register was reviewed.

A motion was made and seconded to approve the disbursements as presented. The motion was approved.

Accounting and Customer Service Department Report– Ms. French reporting
(See attached report.)

Commissioner Knox commented on uncollectible and bad debt expense being better than last year. Ms. French attributes to customer service diligence in contacting customers, setting up contracts and implementing payment plans. Secretary Patone added she believes the contributions from the MSC of \$5K and DEMEC of \$15K to the Salvation Army/New Castle Cares Fund which were used to pay the debt of our residential customers is a significant reason bad debt is lower. Secretary Patone reminded the commission the MSC has contributed \$5K annually and is requesting to have the contribution increased to \$10K going forward. She also noted we are seeing and monitoring an increase in account receivable balances of small and medium commercial accounts. Commissioner Hansen inquired which capital items will finish by fiscal year end, Ms. French confirmed Mr. Guyer would be able to update in his report. Commissioner Hansen asked if we have received the final invoice on Delaware Street project. Secretary Patone confirmed we have received the final Henkel's invoice but we have not received Verizon's invoice to date.

Electric Department Report – Mr. Scott Blomquist
(See attached report.)

Municipal Services Commission Meeting Minutes
February 18, 2021

A discussion ensued regarding working with Delmarva Power coordinating future projects with water and electric departments as well as the city. Commissioner Hansen inquired and a discussion ensued regarding solar customers and if they are customer or third party owned. The MSC currently has 8 residential, 1 medium and 1 large commercial.

Commissioner Hansen asked if Secretary Patone took part in the Senator Hansen Meeting. Secretary Patone confirmed her attendance and reported the meeting was well received. She reported DEMEC and Delaware Coop spoke and there is a lot of support in favor of increase renewables. SB33 already passed with 40% by 2035, the new bill has a higher requirement and a community solar portion. Based on DEMEC lobbyist feedback there may not be an increase requirement on the RPS once the bill is revised mainly because the bill that passed two weeks ago passed with an increase requirement. Secretary Patone reported the new bill is centering on community solar and Senator Hansen is clear that DEMEC is already doing community solar with all the municipalities in one way or another. Secretary Patone thanked Commissioner Hansen's previous suggestions of improved reporting by DEMEC of solar within each community that does not get reported in the RPS requirement report.

Mr. Blomquist was asked what the MSC does to mitigate the possibility of significant electric outages as a result of the freezing temperatures like the current situation in Texas. Mr. Blomquist explained the Texas interconnection (ERCOT) is not interconnected to the rest of the electric grid. The MSC's area/region is PJM which is interconnected to the other RTO's (regional transmission organizations), therefore, if there was a catastrophic event and demand goes up, supply from other sources can be directed toward our region. In addition the MSC's infrastructure is built for the climate and the City has a backup generator which can be utilized.

Water Report – Mr. Guyer reporting
(See attached report.)

Mr. Guyer is exploring grant funding to pay for carbon needed for the carbon filtration system and the water portion of the AMI project. Mr. Guyer was asked to address how the water department will mitigate catastrophic events to our water system similar to the situation in Texas. Mr. Guyer explained, the MSC has a water treatment facility and 4 wells. The MSC has two elevated tanks that hold 2 days' worth of water and because they are elevated no power is needed to maintain distribution system pressure. He went on to explain the majority of our mains are buried deep enough and those that are not are prepared to sustain freezing temps. He explained the MSC has two interconnections with Artesian Water Company that would permit splitting our distribution system in half to maintain operation.

Managers were thanked and excused from the meeting.

Secretary's Report – Secretary Patone reporting

DEMEC– Secretary Patone reported the regular monthly DEMEC meeting took place February 16th. She reported there was a presentation by PNC Capital Advisors regarding investments, reporting investments are performing as expected based on the organizations risk tolerances. She reported a resolution was authorized for staff to refund 2011 bonds, financial advisors made the recommendation based on the current interest rates. Secretary Patone reported the finance committee approved the investment policy that had been drafted. She reported President McCullar reported that DEMEC's finance committees requested to get quotes on rate study and design. Secretary Patone stated the report on the financial condition at the end of last calendar year was a net position slightly better than expected given the pandemic. She reported the Audit is beginning, the finance committee is meeting with auditors for an exit

Municipal Services Commission Meeting Minutes
February 18, 2021

meeting to review the results of field work. She reported DEMEC staff has been working with AMP Ohio Joint Action Agency, of which we are a member, to develop an economic development website to allow municipalities in Delaware to attract regional companies to their community. She reported DEMEC approved a social media policy for staff. She reported Middletown is beginning their AMI project, Milford and Seaford's project are complete. The MSC plans to begin their project soon and Clayton and Smyrna are pursuing options. Secretary Patone reported Senator Hansen continues to host energy and climate forums, which DEMEC attends. Senator Hansen is very active in these forums they seem to be well attended. The forum gives the opportunity for utilities, municipalities and the public to meet and discuss energy related topics.

Old Business

Public Electric Vehicle Charging Station– Secretary Patone reported the MSC has purchased the EV charging station with dual port prior to the original 12/31/2020 rebate deadline, noting the deadline has been extended to 6/30/2021. She reported the rebate covered 90% of the purchase and the remainder was covered through DEMEC Green Energy. Secretary Patone stated David Baldini from the Planning Commission has been working to decide where to place the station within the community. Mr. Baldini advised that John Lafferty will be the point person and a meeting will be held in March, with an invite extended to the MSC to participate. Secretary Patone plans to attend the meeting and provide information as it pertains to operation concerns and prompt a conversation if there is a desire for additional stations to act prior to the 06/30/2021 deadline to take advantage of the 90% DNREC rebate. She stated DEMEC is exploring purchasing an EV, looking for information on resale value, battery life, and amperage necessity, noting the differences in amperage does not mean faster charging. MSC has been asked to explore TESLA chargers.

Feasibility Study– Secretary Patone reported both she and Bill Barthel signed the agreement for phase 2 of the study with GMB consultant and will report findings of the preliminary meeting once received.

Charter Change regarding appointments – Secretary Patone stated as reported previously it is the desire of the Trustees to no longer make appointments to the commission. She stated the MSC commissioners put forth a suggestion for what the charter change might look like, which would be the possibility of having the mayors appointee and the councils appointee appoint the third, with the idea the individuals would be equipped to understand the needs of the organization and make an appointment. Secretary Patone invited Mayor Quaranta to address the commission but he was no longer in attendance. She reported the Mayor had proposed the position of Mayor be an automatic appointment to the commission which is also being considered. Secretary Patone reported she and Commissioner Knox attended a special meeting of the council on February 16th regarding the different proposals and ideas. She reported Council President Ratchford did a very thorough job summarizing all of the discussions and different options to date. Secretary Patone reported some members of council expressed an interest in improving communications between the commission and council and felt having the Mayor on the commission would help achieve that communication. Other members did not necessarily agree to have the Mayor be an automatic appointment but prefer to have the mayor have an appointment and the council have two appointments. It was discussed future Mayors may not have an interest in serving on the Commission. Some comments suggested individuals would be educated in advance of elections of the responsibility of the Mayor being on the commission. The MSC proposed the option of the Mayor being the appointee or appointing someone if they did not have the desire to participate. Secretary Patone reported the reason public utilities typically form boards and commissions separate from council is because there are customers outside of the city

Municipal Services Commission Meeting Minutes
February 18, 2021

limits sometimes serving areas that are not subject to city tax, etc. She stated electric/water rate cases may develop if customers question the rates being charged and infrastructure may go into disrepair if funds are depleted. It was noted at the council meeting that the MSC is a component unit of the city which Secretary Patone agreed which is the reason the MSC provides an appropriation to the general fund/City of New Castle. Secretary Patone reported she believed it was suggested at the Council meeting the possibility of the City Administrator participating on the Commission. She was not sure of the intention but felt this suggestion would provide the skill through the hiring process, ideally an employee may have a longer term than elected position which would provide continuity, and she thought it would provide improved communication between the staff and leadership of both organizations and potentially provide less concern of the political motivations.

Dan McCollom noted discussion and concerns regarding "house cleaning" items within the charter with city council lawyers and reiterated the MSC has a voice but ultimately the decision is the councils.

Dr. Sippel asked if the existing commission structure will stay in place until the new charter. Mr. McCollom confirmed yes according to the charter even if the commissioner's term expires as long as he does not resign the existing appointee of the trustees will continue to hold position on the commission until the charter changed or successor was appointed. Secretary Patone invited Linda Ratchford to address the commission but due to technical difficulties was unable to speak. Secretary Patone stated that President Ratchford said that council was in favor of coming up with an agreement that all would be comfortable with and support. Secretary Patone felt like there was a healthy conversation among members and there was an interest in coming up with the best solution.

Cross Connection Control Program and Manual Review - Secretary Patone reported Mr. Guyer requested this item to be added to the agenda, documentation was provided for review last month. Discussions ensued and more clarification is needed before voting. The expectation is to have this program reviewed on an annual basis going forward.

Comcast Agreement - Secretary Patone reported the City has been working with Cohen Law to have the agreement with Comcast updated. She reported although the trend now is to have a separate agreement from the franchise agreement, since it is all one we are able to utilize Cohen Law to negotiate for the pole attachment portion. The MSC's attorney provided feedback and expressed the desires of the commission which was provided on January 27th to Bill Barthel and then passed on to Cohen Law.

New Business

Rate Design- Secretary Patone reported during the last meeting Utility Financial Solutions presented their recommendations for the cost to serve for water and electric. The recommendation from UFS was no rate change in electric rates but the possible restructuring of charges and having a net result of zero percent revenue increase. Secretary Patone stated she did not request a revenue neutral electric rate design. She did request UFS to prepare the 5% water rate increase design they recommended Secretary Patone reported the MSC has had a 9% rate increase on water the last couple of years with the expectation of staying at 9% moving forward. The consultants recommended the 5% design acknowledging the current economic condition 9% may not be as well received. The commission inquired how long it would take to have a positive projected cash balance in the water department given 5% increases. UFS projected a 5% increase for the next 5 years with another 2.5% for the following two years would result in the water department having a positive cash balance by 2028. Secretary Patone noted a slight difference in the

Municipal Services Commission Meeting Minutes
February 18, 2021

presentation and the projected cash balance was in part because of a keying entry error on the number of hydrants which accounts for more revenue than expected. The presented rate design was reviewed and tested on our customer base by Ms. French to ensure the 5% with the 2% band width, her findings confirmed it met the requirements showing customers could have a rate as low as 3% and as high as 5-7%. Secretary Patone requested direction from the commission for an increase effective April 01, as this increase also requires an update to the tariff and affects the operation budget that will be presented next month for approval. Commissioner Hansen commented he reviewed in depth the Artesian Tariff which prompted a discussion regarding rate alignment as it pertains to other providers.

A motion was made and seconded to approve the 5% water revenue increase rate design as presented effective for bills after April 1, 2021. The motion was approved.

Operating Budget Assumptions- Secretary Patone reviewed the operating budget assumptions provided to the commissioners are based on the financial projections from the consultants during the rate study. She noted user charges are in agreement with the cost of service with zero growth. The new rates for water based on the 5% increase in water revenue and zero percent overall electric revenue. The Purchase Power cost is based on DEMEC rates, the wage budget is in accordance to the labor agreement for the union and approved personnel budget from the last meeting. The pension expense is pending the actuary funding document. Health insurance is budgeted at a 7% increase, the insurance broker suggested due to COVID and other lawsuits, he expected some changes come renewal time but settled on an overall 3% increase which is consistent in other expense areas. City Appropriation is always budgeted at the 6% unaudited user charges. The city of New Castle electric is invoiced at the agreed DEMEC/wholesale rates and water is contributed at no cost to the City. The cost of service study professional fees will be amortized over three years since the study is utilized for rate designs and financial projections in years two and three. The water and electric departments have provided the operating expenses for the upcoming year. Depreciation is estimated based on the previous year and new capital purchases. All other expense over all attempting to keep at the 2.2% inflation rate of the cost of service assumption. A discussion ensued regarding oil prices increasing and if that will cause any changes. Secretary Patone stated the rate stabilization is in place for changes but there has been no discussions indicating any significant changes for concern.

Efficiency Smart Renewal- Secretary Patone reported she and Mr. Blomquist have reviewed the Efficiency Smart recommendation for upgrading the service Efficiency Smart is providing. DEMEC pays for the services for all the members whether it is utilized or not, it provides services to residential and commercial accounts helping to implement efficiency measures at their location with rebates and education. The process has worked very well and has provided us the opportunity to get in the door of some of our key accounts which give us insight to their operations. Efficiency Smart is offering an elevated program which would assist customers with reducing their peak demand but would require a financial investment from MSC.

A motion was made and seconded to approve renewing the existing Efficiency Smart Program. The motion was approved.

Before entering executive session Mr. Gross was invited to address the commission. Mr. Gross inquired about an Efficiency Smart link, Secretary Patone will confirm the link is on the website and mentioned the City has been posting Efficiency Smart notification to Facebook. Mr. Gross inquired about the location of

Municipal Services Commission Meeting Minutes
February 18, 2021

Riverbend/Gemcraft Project, Secretary Patone confirmed the location and explained the MSC and the city will meet with the potential buyer to make them aware of their responsibilities.

Mr. Gross was thanked and exited the meeting.

A motion was made and seconded to enter executive session at 12:13 p.m.

Commissioners returned to general session at 12:40 p.m.

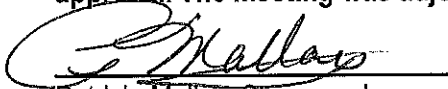
A motion was made and seconded to approve the organizational chart and personnel update. The motion was approved.


Next Meeting

Commissioners set the next monthly Board meeting to be March 18, 2021 10 a.m., commission meetings will continue virtually via zoom.

Adjournment

A motion was made and seconded to adjourn the meeting. The motion received unanimous approval. The meeting was adjourned at 12:43 p.m.


Patricia Malloy, Stenographer

Approved: 
(Minutes transcribed from recording)

MUNICIPAL SERVICES COMMISSION

CITY OF NEW CASTLE, DELAWARE 19720-0208
P.O. BOX 208

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Accounting & Customer Service Department Meeting Report

February 18, 2021

Prepared By: Tara French on February 10, 2021

- **Billing / Customer Service**

The CSD continues to prepare consumption reports for analysis in usage changes that may have resulted from the COVID-19 pandemic.

The CSD is reviewing reports for the annual billing audit.

The CSD prepared Escheat for annual filing purposes.

- **Accounting**

Due to the timing of this meeting, the January 31, 2021 Monthly Budget Reports by Group Summary by Department and in Total provided are not reconciled for Investment activity.

Accounting provided Investment Performance by Security and Portfolio Holdings by Account at January 31, 2021. Also provided were the quarterly financial statements and capital budget vs actual for the nine months ended December 31, 2020 as well as the Investment Quarterly Portfolio Review as of December 31, 2020.

Accounting reviewed the operating budget vs actual through January 31, 2021. The following line items were previously reported:

1. As previously discussed, the Pension expense accounts are expected to be overbudget for the year due to last year's funding not being increased timely.
2. Bad debt expense is overbudget due to the increase in accounts receivable as a result of the pandemic.
3. R&M Hydrants and Hydrant Valves are overbudget for the year due to unexpected repairs from the Spring Hydrant Flushing and a hydrant moved at Carrie Downie. The Water Department will reevaluate other budget line items and defer expenses. The operating expenses are not expected to be overbudget for the fiscal year.

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4. Online bill pay fees are overbudget due to more customers using online to pay as a result of the pandemic. However, bank service charges are down significantly due to the switch from MSC's previous online payment site to the new one and overall is underbudget.
5. R&M Meters and Services line item are overbudget due to unexpected replacement of several residential water meters and one large meter.
6. City Services Billing Water is overbudget due to improper software set up.

Overall the operating expenses are not expected to be overbudget for the fiscal year.

Loss of revenue analysis indicates residential customers past due balances have decreased from the prior month but commercial past due accounts have increased. Electric, water and waived fees compared to last year are at an estimated loss of \$146,000 but overall the operating budget compared to actual is on target.

MUNICIPAL SERVICES COMMISSION
(A Component Unit of the City of New Castle)
COMBINING SCHEDULES OF REVENUES AND EXPENSES BY DEPARTMENT
FOR THE NINE MONTHS ENDING DECEMBER 31, 2020 AND 2019

	Water Department		Electric Department		Total
	2020	2019	2020	2019	
OPERATING REVENUES:					
User charges	1,483,502	1,504,924	6,833,471	7,014,571	8,316,973
City service charges	19,566	14,356	32,426	34,663	51,992
Free service	2,384	5,321	28,503	31,597	30,887
Miscellaneous	16,818	10,924	47,447	42,935	64,265
TOTAL OPERATING REVENUES	1,522,270	1,535,525	6,941,847	7,123,766	8,464,117
LESS: Free service	(2,110)	(2,733)	(2,433)	(3,152)	(4,543)
NET OPERATING REVENUES	1,520,160	1,532,792	6,939,414	7,120,614	8,459,574
PURCHASE OF POWER AND WATER	(19,590)	(16,691)	(4,730,120)	(4,871,471)	(4,749,710)
OPERATING EXPENSES	(1,168,443)	(1,113,919)	(994,251)	(1,022,819)	(2,162,694)
GENERAL AND ADMINISTRATIVE EXPENSES	(320,051)	(316,833)	(534,159)	(513,959)	(854,210)
OPERATING INCOME	12,076	85,349	680,884	712,365	692,960
Capitalized Labor	20,090	85,777	91,812	140,213	111,902
Capitalized Equipment	11,795	30,607	52,963	14,143	64,758
OPERATING INCOME AFTER CAPITALIZED ITEMS	43,961	201,733	825,659	866,723	869,620
NONOPERATING REVENUES (EXPENSES):					1,088,456
Investment income	6,046	7,132	35,114	41,597	41,160
Investment expense	(319)	(299)	(1,808)	(1,693)	(2,127)
Grant income	8,076	10,000	9,871	-	17,947
Grant expense	(11,044)	(10,000)	(16,505)	-	(27,549)
Private developer contributions	18,897	(2,276)	-	(12,901)	18,897
Realized Gain(Loss) on Sale of Investments	3,669	(7,944)	20,790	1,650	24,459
Realized Gain(Loss) on Sale of Assets	(2,498)	(3,632)	(1,651)	(851)	-
Other Expense	(88,489)	(78,644)	(407,775)	(426,370)	(4,149)
Appropriations to the Mayor and Council of New Castle	(19,566)	(19,518)	-	-	(496,264)
Ordinary	(5,129)	(5,129)	(23,432)	(412)	(19,566)
City services	7,610	5,356	43,124	30,349	(29,581)
Special	(83,747)	(99,825)	(342,272)	(368,631)	60,734
Unrealized Gains/(Losses) on investments					(426,019)
TOTAL NONOPERATING REVENUES (EXPENSES)	\$ (39,786)	\$ 101,908	\$ 483,387	\$ 498,092	\$ 443,601
CHANGE IN NET POSITION					\$ 500,000

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ELECTRIC DEPARTMENT COMMISSION REPORT

February 18, 2021

Prepared by Scott Blomquist on February 11, 2021

1. Developer Projects:

- I. There have been no developer deposits in the last month.

2. Capital Projects:

a. Van Dyke Village:

- I. There is nothing to update on this project.

b. Delaware Street:

- I. Manager Blomquist met Comcast onsite on February 3rd. They plan to feed the last two services from 4th street. They are working with their real estate department to contact the customers and get access to the property.
- II. Verizon has not responded to resent requests as far as status of the last transfer for this project. GM Patone reached out to their Government Affairs Department to see if this will help to get them moving.
- III. This leaves 2 poles cut off at communications height that still need to be removed.

c. Delmarva Gas 5 year plan:

- I. Manager Blomquist created an estimate for the Phase 2 of the Delmarva Gas plan. Manager Blomquist estimates that the cost which is The Strand, Harmony (The Strand to 2nd St), Harmony (4th to 6th), and 4th St (Delaware St to Williams St) for Electric, Verizon, and Comcast is \$2,787,533.34. This is only pathway install for the MSC, no transformers, wire, or conversion. This is having Delmarva Gas's contractor installing pathway as was done on Delaware St. This includes an estimated cost for Verizon's charge based off the costs they gave for Delaware St. Comcast didn't have any charges so there are not costs allocated or expected. The estimate is broken down into 3 sections with the first as The Strand and Harmony (The Strand to 2nd St) The estimated contractors cost for the MSC portion is \$325,750.00 and a materials cost of \$96,578.57. The estimated contractors cost for Verizon on The Strand and Harmony (The Strand to 2nd St) is \$307,900.00 with a Verizon charge for materials of \$84,426.00. The estimated contractors cost for Comcast on The Strand and Harmony (The Strand to 2nd St) is \$287,750.00. There is no expected

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Comcast charge. The estimated contractors cost for the MSC portion on 4th St (Delaware St to Williams St) is \$298,500.00 and a materials cost of \$88,468.67. The estimated contractors cost for Verizon on 4th St (Delaware St to Williams St) is \$262,300.00 and a Verizon charge of \$84,426.00. The estimated contractors cost for Comcast on 4th St (Delaware St to Williams St) is \$249,400.00. There is no expected Comcast charge. Last the estimated contractors cost for Harmony (4th to 6th) for the MSC portion is \$198,000.00 and a materials cost of \$80,798.10. The estimated contractors cost for the Verizon of Harmony (4th to 6th) is \$175,900.00 and a Verizon charge of \$84,426.00. The estimated contractors cost for Comcast's portion of Harmony (4th to 6th) is \$163,000.00 and no expected Comcast charge. This is only the estimated cost for phase 2 of Delmarva Gas's plan, there are 3 more phases. A rough estimate for all 4 phases is \$9,214,000.00. The Electric Department has to focus on the remaining work in Vandyke and any conversion work would need to happen after Vandyke is completed. Manager Blomquist has not estimated any of the costs to convert from aerial to underground pathway. These costs would be in addition to the costs above.

3. Capital Purchases:

- I. There have been no capital purchases over the last month.

4. Operations:

a. Outages :

- I. We had 1 outage over the last month. On February 7th a fuse blew on the transformer on Hider Alley. 4 customers were affected for 3 hours. We were unable to find the cause.

II. 2/01/2020 – 2/01/2021

SAIDI (minutes)	SAIFI (number of interruptions)	CAIDI (minutes)	ASAI (percent)
53.4	0.46	114	99.98

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SAIDI - is the average outage duration for each customer served.

SAIFI - is the average number of interruptions that a customer would experience.

CAIDI - gives the average outage duration that any given customer would experience.

ASAI - is the Average Service Availability Index.

5. Repairs and Maintenance:

a. Wilmington Road Substation:

I. The Electric Department performed the monthly inspection at this location.

b. Dobbinsville Substation:

I. The Electric Department performed the monthly inspection at this location.

c. System:

- I. Electric Department personal have been trimming trees over the winter months. We have been on a 3 year trimming cycle. We plan to be through the system by the end of winter.
- II. Electric Department personal have been doing pole change outs as part of our normal winter system maintenance.
- III. Electric Department personal have performed the monthly and yearly maintenance on trucks and equipment.

d. Utility Building:

- i. During our quarterly generator maintenance we tested the generator transfer cycle to the Utility Building as we had suspected it was not transferring properly. The Generator did not transfer as it was supposed to. The tech onsite was unable to determine the problem. We had Cummins send down a different tech and he determined that the settings in the transfer switch were incorrect. This was corrected and it is operating as it should.

ELECTRIC DEPARTMENT COMMISSION REPORT

February 18, 2021

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- ii. Due to the building generator being out of service we pulled out the City generator as a backup if it was needed. We tried to start it and it didn't start. We replaced a battery and a control board and it is operating as it should. Being we utilize this piece of equipment we are splitting the cost with the City.

6. Safety:

- I. Daily tailgate sections are performed each morning.
- II. The Safety Committee met and started reviewing the Safety Manual.

7. Capital Budget:

I. Electric System Wide Underground Evaluation:

- i. Manager Blomquist reached out to Utility Engineers and gave direction to start this project. A P.O. was issued.
- ii. Manager Blomquist worked with Supervisor Jaeger to get the Electric map uploaded in to ArcPro so we could give Utility Engineers access to our system maps.
- iii. Utility Engineers plans to be onsite on February 16th to get paper maps of other utilities in New Castle.

8. Operating Budget:

- I. The Electric Operating Budget has been submitted to GM Patone for review.

9. EIA-861:

- I. Manager Blomquist accumulated all data needed to update the EIA-861. Before submission Manager Blomquist will forward to ACS French for review.

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10. City Snow Plowing:

- I. Operations personal assisted the City personal over the last few weeks with plowing and snow removal

11. Interconnection Application:

- I. On February 10th Manager Blomquist received an Interconnection Application for solar at 19 William Penn Ct. Manager Blomquist will review the application.

12. DLGG:

- I. Manager Blomquist will attend the Delaware League of Local Governments virtual meeting on February 25th regarding Cyber Security.

13. PJM GATS:

- I. Manager Blomquist has uploaded readings into the PJM GATS system. Only of the portion of the generation credits for School Lane Solar have been approved. When the rest of the credits are approved Manager Blomquist will transfer the credits to DEMEC and an invoice will be created.

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Water Department Commission Meeting Report

February 18, 2021

Prepared By: Jay Guyer on February 11, 2021

1. Developer Projects

A. Del DOT – SR 9 / SR 273 Delaware Street Railroad Crossing Safety Improvements

1. WUM Guyer has not received any communications from the project engineer and will contact them requesting draft plan to review and comment on.

B. Delaware Street Repaving – City Project

1. The City has delayed final paving of Delaware Street until Spring 2021.

C. 6th and Delaware Street Traffic Light Replacement

1. WUM Guyer received preliminary plans of the traffic signal replacement and discussed with EUM Blomquist. WUM Guyer is scheduling an on-site meeting for February 19th with the Del DOT Engineer and City Representatives to discuss the project.

D. Delmarva Power 5 Year Gas Plan

1. WUM Guyer received the revised copy of Delmarva Power's 5 Year gas plan for the down town area. WUM Guyer is reviewing and evaluating the plan to determine if any water main cleaning / lining or replacement projects can be coordinated with their gas main /service work. WUM Guyer will develop estimated costs for the cleaning / lining and replacement options for review and discussion. The Capital Water Budget does not include any water main work coordinated with the Delmarva Gas work until FYE 2026 which would be for 4th Street from Harmony Street to Chestnut Street. The planned water projects for the next 3-4 years will exhaust Water Operators resources including assisting the Electric Crew with getting the Van Dyke Aerial to Underground conversion.

E. Riverbend Subdivision

1. WUM Guyer was contacted by a resident of the Riverbend Subdivision in reference to the property being sold. Gemcraft homes has expressed an interest in the property to Cecil Bank and contacted the existing homeowners in the subdivision requesting a meeting to discuss their plans for the subdivision. The homeowner will follow up after their meeting with Gemcraft Homes.

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Water Department Commission Meeting Report

February 18, 2021

Prepared By: Jay Guyer on February 11, 2021

F. 90 Lukens Drive - Riveredge Park

1. Parkway Gravel called in a Miss Utility Ticket for constructing a new Building at 90 Lukens Drive. WUS Jaeger reviewed the locate request. Artesian Water Company will provide water service and MSC will provide electric service for the new building.

2. MSC Projects

A. Advanced Metering Infrastructure – American Municipal Power (AMP)

1. WUM Guyer has nothing to update on this project.

B. Cross Connection Control Survey

1. Customer letters are being revised. WUM Guyer and WUS Jaeger will start contacting customers with deficiencies then follow up with letters outlining the necessary actions to be taken to bring their facilities into compliance. Revisions to the State Drinking Water Regulations pertaining to Cross Connection Control are expected to be passed during this legislative session. Are there any questions on the MSC Cross Connection Control Manual that was provided last month?

C. PFAS Sampling - Vessel 2 Carbon Consumption

1. PFAS Sampling was completed in December 2020 on the carbon filtration system to determine the extent of carbon consumption in Vessel 2. A review of the results indicated that the carbon has been consumed at the 87% level with break through into Vessel 1. The first monthly PFAS test will be collected on February 17th with testing being performed at the Center for PFAS Solutions Lab on Quigley Boulevard. WUM Guyer contacted Calgon Carbon requesting a quote for a 40,000lb carbon exchange. The cost will be \$1.55lb or \$62,000.00 complete. The last price paid in 2019 was \$1.45lb or \$58,000.00 complete. Carbon consumption will be monitored by monthly PFAS testing to ensure the full life of the carbon in Vessel 2 is used prior to completing an exchange.

3. Operations

A. Outages

1. There was one planned outage on January 8th for a water main break and no unplanned water outages for the month of January 2021.

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B. Reporting

1. ATSDR PFAS Testing in New Castle County – WUM Guyer received an update e-mail from ATSDR Senior Toxicologist Karl Markiewicz on January 22nd. It contained additional information pertaining to the New PFAS Questions and Answers, Health Care Providers Outreach information, and how to sign up for the ATSDR's PFAS Progress e-Newsletter.
2. The Calgon Carbon Corporation (CCC) Pilot Study Test Skid Unit is collecting and transmitting daily data to CCC. The Unit is functioning as designed with no issues and MSC continues to collect bi-weekly PFAS samples. Further evaluation and comparison of the results will be conducted as more data is collected.
3. DNREC Penn Farm Observation Wells for PFAS – Nothing to update on this project.
4. WUM Guyer and WUS Jaeger completed updating the DNREC Annual Water Use Report for 2020 and submitted before the March 31, 2021 due date.
5. WUM Guyer and WUS Jaeger completed updating the DNREC Tier II Hazardous Chemical Report for 2020 and submitted before the March 1, 2021 due date.
6. WUM Guyer and WUS Jaeger will start updating the DRBC Annual Water Audit Report for 2020. The report is due March 31, 2021.

C. System Repairs and Maintenance

1. Riverbend Subdivision - Flushed January 5th and 27th to maintain required Chlorine Residual.
2. Monthly Meter Reading – Completed on January 12th. Water Operators followed up on water check reads and missed reads. Water Operators replaced 6 water meter registers and ERT's.
3. WUM Guyer completed the paperwork and agreement for upgrading our MVRs Software and Hardware Meter Reading System. The new FCS Software and Hardware System were received. Setup and installation will be scheduled after the February 12th meter reading cycle.
4. AC Schulte's is scheduled to be on site the week of February 15th to start well redevelopment which is anticipated to take 3 to 4 days. Depending upon how the well reacts to the cleaning,

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additional days may be required to complete redevelopment. The motor assembly was disassembled and inspected, a new US Motor will be furnished. The pump assembly is being reworked and will be provided with new 6" column and 1" line shaft. The project is currently on budget.

5. Water Main Break – MSC Water Operators and Linemen mobilized on January 8th to repair a broken 6" water main near the intersection of 9th and Clayton Street. The outage lasted 2 hours. Final roadway restoration will be completed when weather permits.

D. Grants and State Revolving Funds

1. Water Infrastructure Advisory Council (WIAC) Grants – WUS Jaeger and FP Jones have continued updating requested attribute information for horizontal assets in our ArcPro Mapping System. WUM Guyer and WUS Jaeger received the Water Main Condition and Criticality Factors worksheet for review and comment. RK&K is working on a first draft of the prioritization model for discussion. WUS Jaeger is working through the process of publishing maps to ESRI On-Line so they are available in Arc Field Maps.
2. WUM Guyer followed up with additional questions in reference to project qualifications for SRF Funding. SRF Program Administrator Sandi Spiegel has provided additional information in reference to applying for the SRF Loans. WUM Guyer attended the CWSRF – DWSRF Loan Webinar Workshop on January 13th. WUM Guyer has started completing the Notice of Intent for a Drinking Water Project for submission by the February 12th deadline to fund the water meter replacements as part of the AMI Project.

E. Capital and Operation & Maintenance Budgets

1. WUM Guyer and EUM Blomquist will review the approved FYE 2022 Capital Budget to start developing a timeline to discuss with GM Patone.
2. WUM Guyer, WUS Jaeger, and FP3 Jones updated the Water Operation & Maintenance Budget for FYE 2022 and submitted a draft to GM Patone on January 6th.

F. Cost of Service Study

1. WUM Guyer completed updating the Cost of Service Study Spreadsheets and forwarded to GM Patone for review.

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2. WUM Guyer updated the Water Rate Comparison spreadsheet with current rate structures for the surrounding water utilities and submitted to GM Patone and ACSM French for review.

G. Equipment

1. The replacement Truck – 3 has been ordered from NuCar Chevrolet with an estimated delivery of 10 - 12 weeks.
2. Truck 4 – 2008 Utility Truck – Water Operators rehabbed the corroded lift gate and are starting on the utility body addressing the corrosion.

H. Personnel and Training

1. No personnel issues to report at this time.
2. WUM, WUS, and Water Operators have attended several training webinars in reference to water operations, treatment, and safety for continuing education hours to maintain their operator licenses.

I. Safety

1. MSC Water Operators and when requested Facility Person hold daily morning tailgate talks discussing jobs/tasks to be performed that day, potential issues or hazards to be considered, personal protective equipment to be utilized, and safety concerns.
2. A Safety Committee has been created with a representative from each department volunteering to serve and start the review / update process of the current Safety manual. Members of the Committee had a follow up meeting on February 5th.
3. Flagger Training Certification was completed on Thursday, February 4th.
4. CPR / AED and Basic First-Aid Training is tentatively scheduled February 18th from 8:00am to 2:00pm. Training will be provided by Delaware Safety Council.
5. Fork Lift Training options are being review and training will be scheduled late February or Early March.

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3. Local, State, and Federal Agencies

A. WSCC - Water Supply Coordinating Council

1. The January 28th WSCC meeting went well. Meeting minutes were approved, Water Conditions, Weather Forecast, and DRBC conditions were presented with over all water conditions being very good. Water Utilities reviewed their reports with Council members. The working group's template for Self Sufficiency and Water Conservation Certification was reviewed, discussed, and approved for use. The next Self Sufficiency and Conservation declaration submission deadline is July 1, 2021. The Drought Indicators working group will schedule their next meeting. Drafting and presentation of the Fourteenth Report to the Governor and General Assembly was discussed.
2. The next WSCC meeting date and time is pending.
3. Nothing to update on the Sub - Committee members from Northern New Castle County.

B. WRA – Water Resource Agency

1. WUM Guyer will resume sending weekly pump data to Jerry Kauffman of U of D.

C. DEWARN – Delaware Water/Wastewater Agency Response Network

1. The next DEWARN meeting has not been scheduled.

D. Water Operator Advisory Council Meeting

1. The next meeting is scheduled for March 4, 2021.

E. Miss Utility of Delmarva Monthly Meeting

1. Miss Utility issued notice that all meetings are suspended until further notice.

End of Report

Attachments: January 2021 Water Works Report
January 2021 Water Outage Tracking Sheet

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Monthly Water Works Report

January 1 - 31, 2021
Prepared By: Jay Guyer on February 11, 2021

Water Production				Gallons	
FT 300				Raw	Finished
Month	Year	Total Gallons	Adjusted Finished Total Gallons	Difference	
January	2020	11,615,300	11,522,957	-92,343	
January	2021	10,642,000	10,465,609	-176,391	
Difference				-176,391	
Percentage Difference				1.7	
Well(s) in Operation				XXX	
Days Pumped				27	
Water Quality				Goal	Range
Average Chlorine Residual				1.00 ppm	0.90 - 1.20 ppm
Average pH				7.6	7.4 - 7.8
Average Fluoride Residual				1.00 ppm	0.80 - 1.20 ppm
General Water System Report				Goal	
Routine Bacteria Sampling (Office of Drinking Water)				10	10 Absent
Miss Utility Locate Requests (Water and Electric Locates)				# Received 38	# Completed 38
Building Permit Review (Water Related Conflicts)				# of Damages 0	# Reviewed 13
				# Approved 13	# Not Approved 0

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Monthly Water Outages / Interruptions Report

January 1 - 31, 2021

Prepared By: Jay Guyer on February 11, 2021

Planned Outage / Interruptions

Approximate
Duration

Date Hours / Minutes

Location

No. of

Customers

Comments

1/8/2021 8:15am to 10:15am or
2 hours / 0 minutes

Intersection of 9th and Clayton Street

80

Repaired water main break on the
Tremont Street side of the 9th street
intersection.

Unplanned Outage / Interruptions

Approximate
Duration

Date Hours / Minutes

Location

No. of

Customers

Comments

No Unplanned Outages or Interruptions for the Month of February 2020.